

# OPINION

TUESDAY, FEBRUARY 24, 2009

## Repeal of unisex provisions should pass

**I**n a misguided attempt to bolster gender equality in Montana, state Senate Democrats continue to fight for the so-called unisex provisions in insurance law.

Montana is the only state in the nation to prevent insurance companies from considering gender when setting premiums for health, auto, life and other insurance policies. A bill before the Legislature would repeal those provisions, but Democratic lawmakers are opposing it, arguing that will be a step backward in the fight for gender equity.

It is almost certain that the law translates into higher premiums for women for auto, health and life insurance. Statistically, women tend to be safer drivers and live longer and healthier lives than men. But insurance companies are prevented from considering those statistics and therefore must set rates the same for men and women.

The law also discourages insurance companies from doing business in the state, reducing competition that might lower rates for both men and women.

Opponents to the bill that would repeal unisex provisions argue that women would suffer higher premiums for health insurance because of the potential for pregnancy and associated costs. The sponsor of the measure, Sen. Gary Perry, R-Manhattan, amended the bill to maintain the unisex mandate for health insurance, but Democrats still — illogically — maintain their opposition to the bill.

Insurance companies base premiums on the analyses of large databases that correlate risk with many considerations, including age, region of the country — and gender. That's the way they make a profit while remaining competitive with other insurance companies.

Preventing them from considering gender when setting premiums is just as counter-intuitive as mandating that they charge the same premium for life insurance for a 60-year-old person as they do for a 35-year-old person. And that would mean the 35-year-old would be paying a much higher premium than he or she should.

Insurance companies make money by managing risk. That's the name of the game. Preventing them from factoring gender into that risk is reducing competition and costing women higher insurance premiums than they should be paying.

Perry's bill has passed the Senate. Now it should be approved by the House and sent to the governor for his signature.